

## CHAPTER 381

## CREDIT UNIONS

H. F. 320

AN ACT relating to credit unions.

*Be It Enacted by the General Assembly of the State of Iowa:*

- 1 SECTION 1. Section five hundred thirty-three point ten (533.10),
- 2 Code 1966, is hereby amended by striking from line thirteen (13) the
- 3 words "approval must be unanimous" and inserting in lieu thereof the
- 4 words "may grant approval thereof".

Approved May 5, 1967.

## CHAPTER 382

## SAVINGS AND LOAN ASSOCIATIONS

H. F. 62

AN ACT relating to savings and loan associations.

*Be It Enacted by the General Assembly of the State of Iowa:*

- 1 SECTION 1. Section five hundred thirty-four point two (534.2),
- 2 Code 1966, is hereby amended by striking from line six (6) of subsec-
- 3 tion five (5) the word "fifty" and inserting in lieu thereof the words
- 4 "one hundred".
- 1 SEC. 2. Section five hundred thirty-four point ten (534.10), Code
- 2 1966, is hereby amended by adding after the word "amount" in line
- 3 twenty-two (22) the following:
- 4 " , excepting that an association may classify its savings accounts
- 5 according to the character, amount or duration thereof, or regularity
- 6 of additions thereto, and may agree in advance to pay an additional
- 7 rate of earnings for particular classes of accounts such as a variable
- 8 rate or bonus for saving larger amounts, or for maintaining such sav-
- 9 ings over a longer period of time or with regularity, as determined by
- 10 the board of directors; however, all such accounts shall be available to
- 11 all qualifying members. The board of directors may also determine
- 12 that earnings shall not be paid on any such account which has a with-
- 13 drawable value in an amount less than fifty (50) dollars".
- 1 SEC. 3. Section five hundred thirty-four point seventeen (534.17),
- 2 Code 1966, is hereby amended by adding the following paragraph
- 3 thereto:
- 4 "No association shall invest in any loan at any time when its liquid
- 5 assets are less than five (5) percent of its savings liability, unless the
- 6 supervisor of savings and loan associations shall have issued written
- 7 approval."
- 1 SEC. 4. Section five hundred thirty-four point nineteen (534.19),
- 2 Code 1966, is hereby amended by striking the period at the end of
- 3 subsection one (1) and inserting in lieu thereof the following:

4 “, together with such implied powers as are reasonably necessary for  
5 the purpose of carrying out the express powers granted in this chap-  
6 ter.”

7 Said section is further amended by striking from line fifteen (15)  
8 of subsection six (6) the word “five” and inserting in lieu thereof the  
9 word “six”.

10 Said section is further amended by striking from lines seven (7)  
11 and eight (8) and nine (9) of subsection fifteen (15) the words  
12 “which the corporations could individually do under their own author-  
13 ity”.

14 Said section is further amended by adding at the end of subsection  
15 fifteen (15) the following: “An association may invest in capital  
16 stock, obligations, or other securities of service corporations in an  
17 amount not to exceed one (1) percent of the association’s assets.”

1 SEC. 5. Section five hundred thirty-four point twenty-one  
2 (534.21), Code 1966, is hereby amended by adding after the word  
3 “persons” in line [five]\* 5 the following: “or one professional ap-  
4 praiser”.

5 Said section is further amended by adding to subsection one (1) the  
6 following:

7 “If agreed in writing by written instrument separate from the note  
8 and mortgage at any time after execution of the note and mortgage,  
9 any prepayment of an installment may be applied on the final install-  
10 ment of the note or other obligation until fully paid, and thereafter  
11 on the installments in the inverse order of their maturity.”

12 Said section is further amended by striking from line twelve (12)  
13 of subsection three (3) the word “thirty” and inserting in lieu thereof  
14 the word “forty”.

15 Said section is further amended by striking from line two (2) of  
16 subsection four (4) the word “thirty” and inserting in lieu thereof  
17 the word “forty”.

18 Said section is further amended by striking from lines six (6) and  
19 nine (9) of subsection four (4) paragraph “d” the word “thirty” and  
20 inserting in lieu thereof the word “forty”.

21 Said section is further amended by striking all of subsection ten  
22 (10) and inserting in lieu thereof the following:

23 “Real estate loans on one to four family dwellings may be repaid in  
24 part or in full at any time, excepting that the association may charge  
25 not to exceed six months advance interest on that part of the aggre-  
26 gate amount of all prepayments made on such loan in any twelve-  
27 month period which exceeds twenty (20) percent of the original prin-  
28 cipal amount of the loan; and may charge any negotiated rate not to  
29 exceed three (3) percent of the original principal for prepayment on  
30 other loans during the first three (3) years of said loans, after which  
31 time the association may charge as above provided for on one to four  
32 family dwellings.”

1 SEC. 6. Section five hundred thirty-four point twenty-four  
2 (534.24), Code 1966, is hereby amended by inserting after the word  
3 “members” in line [eight]\* 8 of subsection one (1) the following:  
4 “, in person or by proxy, such vote to be”.

\*Word supplied by editor, see §3.1(3) of the Code.

5 Said section is further amended by inserting after the word "asso-  
6 ciation" in line five (5) of subsection two (2) the following: ", in  
7 person or by proxy, such vote to be".

8 Said section is further amended by striking from line thirty-five  
9 (35) of subsection one (1) the word "of" and inserting in lieu thereof  
10 the word "or".

11 Said section is further amended by striking from line thirty-six  
12 (36) of subsection two (2) the word "section" and inserting in lieu  
13 thereof the word "chapter".

1 SEC. 7. Section five hundred thirty-four point thirty-one (534.31),  
2 Code 1966, is hereby amended by striking all after the period in line  
3 eleven (11) and inserting in lieu thereof the following:

4 "Every association organized under the provisions of this chapter  
5 shall have and exercise all of the rights, powers and privileges dealing  
6 with a bonus plan or variable dividend rate plan or similar plans  
7 which are for the purpose of encouraging systematic, long-term or  
8 stable savings which are not in conflict otherwise with the laws of this  
9 state pertaining to such associations and which are similar to such  
10 powers as may be conferred upon federal savings and loan associa-  
11 tions, if such plan is approved by the supervisor and the auditor by  
12 departmental rule. The plan is to be made available to all qualifying  
13 members."

1 SEC. 8. Section five hundred thirty-four point forty-two (534.42),  
2 Code 1966, is hereby amended by adding the following thereto:

3 "The board of directors of an association may classify its savings  
4 accounts according to the character, amount or duration thereof, or  
5 regularity of additions thereto, and may agree in advance to pay an  
6 additional or variable rate of earnings for particular classes of ac-  
7 counts as an incentive or bonus for larger amounts, or for maintain-  
8 ing such savings over a longer period of time or with regularity, as  
9 determined by the board of directors, this plan to be made available  
10 to all qualifying members. The board of directors may also determine  
11 that the earnings shall not be paid on any such account which has a  
12 withdrawable value in an amount less than fifty (50) dollars."

1 SEC. 9. Section five hundred thirty-four point forty-four (534.44),  
2 Code 1966, is hereby repealed and the following enacted in lieu there-  
3 of:

4 "All expenses for management in conducting the affairs of an as-  
5 sociation, excluding the cost of borrowed money, shall be paid from  
6 interest, service charges and other sources of profit. The said expense  
7 for an association in any one year shall not exceed three (3) percent  
8 for associations with assets not to exceed eight hundred thousand  
9 (800,000) dollars and two (2) percent for those over such amount as  
10 shown by the associations in their last annual report."

1 SEC. 10. Section five hundred thirty-three B point three (533B.3),  
2 Code 1966, is hereby amended by adding after the period in line ten  
3 (10) the following: "The Federal Home Loan Bank of Des Moines  
4 and federally chartered and state chartered savings and loan associa-

5 tions may sell checks, drafts, or money orders for single transaction  
6 transmission of money."

Approved March 10, 1967.

## CHAPTER 383

### INSPECTION OF BONDED WAREHOUSES

#### S. F. 441

AN ACT relating to duties and powers of the Iowa state commerce commission.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred forty-three point two (543.2),  
2 Code 1966, is hereby amended by striking in line eleven (11) thereof  
3 the word "three" and inserting in lieu thereof the word "six (6)".\*

Approved July 3, 1967.

This Act was passed by the G. A. before July 1, 1967.

\*See also ch. 384.

## CHAPTER 384

### AGRICULTURAL WAREHOUSES

#### H. F. 201

AN ACT relating to bonded warehouses for agricultural products.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred forty-three point two (543.2),  
2 Code 1966, is hereby amended as follows:

3 1. By inserting in line eight (8) following the word "thereof." the  
4 following: "If upon any such inspection a deficiency is found to exist  
5 as to the quantity or quality of agricultural products stored, the com-  
6 mission shall have the authority to, and may require an inspector to  
7 remain at the licensed warehouse and supervise all operations con-  
8 ducted thereat involving agricultural products stored under the pro-  
9 visions of this chapter until such deficiency is corrected."

10 2. By striking from line eleven (11) the word "three" and by in-  
11 inserting in lieu thereof the word "six".\*

1 SEC. 2. Section five hundred forty-three point eleven (543.11),  
2 Code 1966, is hereby amended by striking all of said section after the  
3 figures "543.15" in line fifteen (15) and by inserting in lieu thereof  
4 the following:

5 "If such additional insurance is not provided within five days  
6 after notice by certified mail the license of the warehouseman con-  
7 cerned shall be automatically suspended. If such additional insurance

\*See also ch. 383.